Punjab Government Gazette

EXTRAORDINARY

Published by Authority

CHANDIGARH, THURSDAY, NOVEMBER 20, 2025 (KARTIKA 29, 1947 SAKA)

GOVERNMENT OF PUNJAB

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

(Housing-2 Branch)

NOTIFICATION

The 20th November, 2025

No. H-U-12020/369/2025-6HG2/I/1248190/2025.- In order to allow Fragmentation or Subdivision of the industrial plots, except IT/ITes plots, allotted by Government or any Special Urban Planning and Development Authority constituted by the State Government under the provisions of the Punjab Regional & Town Planning & Development Act, 1995, the Governor of Punjab is pleased to notify the policy for Fragmentation or Subdivision of the industrial plots (except IT/ITes plots) in supersession of the policy notified vide notification no. 08/04/2018-4HG1/1316575/1 dated 12.09.2018 as here under:

1. **Short Title:** The policy may be called as 'Fragmentation or Subdivision of Industrial Plots, 2025

2. **Commencement:** This policy shall come into force from the date of its notification by the Government.

3. **Scope of Policy:** This policy shall be applicable only for industrial plots, except IT/ITes plots, allotted by Government or any Special Urban Planning and Development Authority constituted by the State Government under the provisions of the Punjab Regional & Town Planning & Development Act, 1995 for seeking fragmentation/ sub-division of their plots. It covers developed, semi-developed, and internally undeveloped land and is prospective, applying only to applications submitted post-notification.

4. **Definitions**

   a) **Industrial Plot** means Industrial plots, except IT/ITes plots, allotted by Government or any Special Urban Planning and Development Authority constituted by the State Government under the provisions of the Punjab Regional & Town Planning & Development Act, 1995.

b) **Fragmentation/ Sub-division** means the division of an industrial plot into two or more smaller plots.

c) **Competent Authority** means Chief Administrator of the concerned Special Urban Planning and Development Authority to approve all fragmentation/ sub-divisions proposals under this policy.

d) **Current Reserve Price** means the prevailing reserve price in respective industrial plots, as determined by the competent authority from time to time.

e) **Original Plot** means the industrial plot for which fragmentation/ sub-division is sought by its allottee.

f) **Sub-divided plot** means the industrial plots after fragmentation/ sub-division is permitted by the Competent Authority.

g) **Family** includes father, mother, wife, husband, son, brother, sister, daughter, grandson and granddaughter.

5. **Eligibility Criteria:** To ensure viability, infrastructure sustainability, and compliance with zoning regulations, the following eligibility criteria shall apply:

a) **Minimum Plot Size:** Only industrial plots measuring 1,000 square meter or above are eligible to apply for fragmentation/ sub-division under this policy.
b) **Minimum Sub-divided Plot Size:** Each sub-divided plot shall be at least 500 square meters.
c) **Minimum Road Width:** The minimum approach road width of original plot for permitting fragmentation or subdivision shall be 60 feet (18 meter), and the plot shall abut on internal road of that scheme/project.
d) **Shape Ratio (Width: Depth):** Fragmentated or Sub-divided plots shall maintain a width-to-depth ratio not exceeding 1:3 (e.g., a plot with a 30-foot frontage should not exceed 90 feet in depth). The minimum width of the plot after sub division shall not be less than 30 feet.
e) **Ownership:** Fragmentationor Sub-division shall be permitted only for freehold plots after execution of conveyance deed or sale deed, as the case may be, where all dues/ sale consideration has been paid by existing allottee to development authority/ State of Punjab.
f) **Regulation Compliance:** The proposed Fragmentated or Sub-divided plan shall comply with zoning regulations/ policy/guidelines of the Department of Housing and Urban Development, prevailing building rules, and approved layout plans or as amended from time to time.

6. **Applicable Charges for Fragmentation or Sub-division:**

a) **Fragmentation or Sub-division Fee:**

(i) Fragmentation or Sub-division fee shall be payable equivalent to 12.5% of the Current Reserve Price of the total area of the original plot. The revenue so

collected as sub-division fee shall be shared in the ratio of 40:60 between the State Government and development authority, respectively.

(ii) In case offragmentation or subdivision among family members/ legal heirs of a deceased allottee, the above said fee shall be charged 50%.

b) Processing Fee: A non-refundable processing fee of 10,000/- must be paid with the application.

c) Extension Fee: If internal development works are not completed within the stipulated time (as per Clause 7b of this policy), an extension fee @ 1% per year of the Current Reserve Price of the original plot, shall be charged until completion.

d) Additional FAR Fee: 10% of Current Reserve Price shall be charged on the Additional FAR from allotment of original plot, as the case may be.

7. Procedural Requirements

a) Application Submission:

(i) Applications must be submitted to the Chief administrator of concerned development authority, on the standard Application Form (Annexure A) and as per Checklist (Annexure B).

(ii) Required documents shall include allotment/ ownership proof, NDC from the allotting authority/agency, location of the plot as per approved Layout Plan, proposed site/layout/zoning plan, processing fee receipt, and an undertaking in compliance with the policy.

b) Scrutiny Committee:

The Scrutiny Committee shall approve the layout plan of fragmented or sub divided plots. The constitution of the committee shall be as perbelow: -

1.	Chief Administrator, concerned Development Authority	Chairman
2.	Additional Chief Administrator, concerned Development Authority	Member
3.	Senior Town Planner, concerned circle.	Member
4.	Superintendent Engineer, concerned Development Authority	Member
5.	Estate Officer, concerned Development Authority	Member Convener

The concerned Estate Officer shall initially scrutinise the application for fragmentation or subdivision as per the checklist of documents as mentioned in the policy and accordingly circulate the application to the member of scrutiny committee

and shall convene the meeting for considering the case for allowing subdivision or fragmentation and for approval of layout plan for such plots. The building plan and zoning plan of fragmented or subdivided plots, as the case may be, shall be approved by the competent authority as per the delegation of power issued by this department from time to time.

8. **Obligations of the Owner/ purchaser:**

a) Internal Development Works: (If applicable)

(i) The owner/ purchaser of plot shall be solely responsible for executing internal development works within the subdivided plot, wherever required, (roads, water supply, storm drainage, sewerage, landscaping, street lights, etc.) as per the approved sub-division plan, at their own cost and risk.

(ii) All internal development works must comply with the specifications/ zoning requirements and approved layout plan, zoning plan and building plan of fragmented or sub-divided plot issued by competent authority.

b) Timelines for Completion Internal Development, if required: Internal Development works must be completed within:

i) 12 months for plots up to l acre.

ii) 18 months for plots above 1 acre to 10 acres.

iii) 24 months for plots above 10 acres.

Provided that failure to meet deadlines shall incur an extension fee given in Clause 6c of this Policy.

c) Undertaking:

(i) The owner/ purchaser of plot shall submit an affidavit/ undertaking to complete internal development works as per the approved plan and specifications inadherence to timelines given above.

(ii) Allottee shall undertake to clear arrears of statutory dues, which he shall be liable to pay the same jointly and separately.

d) Completion Certificate: The concerned Chief Administrator, development authority shall issue completion on the basis of the report of Chief Engineer/Superintendent Engineer of the concerned Development Authority after inspection and verification of development works against the approved plan, specifications duly mentioning the applicable date of completion of internal development works.

However, Third-party verification of infrastructure works, empanelled by development authorities is mandatory, with cost to be borne by the allottee.

f) Common Areas and Facilities:

(i) Common areas/ facilities, wherever applicable (e.g., roads, pumping stations, electric substations, STPs, CETPs, etc.) cannot be sold or transferred and must be developed and maintained by the allottee at their cost until handed over to the development authority or the concerned authority.

(ii) Post-handover, development authority or the concerned authority shall handle maintenance of common areas/ facilities. Development Authority reserves the right to levy maintenance charges for the same upon approval from Government.

g) Compliance with Regulations:

(i) The owner (Applicant) must obtain all necessary clearances, permits, and licenses from relevant government departments or local bodies at their own cost. Development Authority shall not be in any way responsible for any delay in grant of any permissions or approvals by any other authority.

(ii) Construction on sub-divided plots must adhere to the approved layout plan, zoning plan, regulations and building rules or as amended from time to time.

(ii) The fragmentation/ sub-divided plot shall be used for industrial purpose only or as per applicable policies of the Government, as amended from time to time.

h) Commercial Production:

(i) Owner/ purchaser of sub-divided plots shall commence commercial production on the sub-divided plots within a period of 3 (three) years from the date of issuance of completion certificate; as per the existing law/guidelines as amended from time to time. Extension fee shall be chargeable as specified by the Development Authority applicable for fresh allotment of plots.

9. Exemption:-

In order to promote industry in the State of Punjab, the Governor of Punjab, exercising the powers vested under section 44(2) of Punjab Apartment and Property Regulation Act, 1995 (Punjab Act No. 14 of 1995), is pleased to exempt fragmentation or sub-division of industrial plots allotted by Government or any Special Urban Planning and Development Authority from the provisions of PAPRA, 1995 related to license whereas all other regulatory and punitive provisions (section 6 to 20, section 32 & section 36 to 39) of the Act shall be applicable in toto. This exemption shall be subject to following terms and conditions: -

i. Once the fragmentation/sub-division is permitted by the Competent Authority of Housing and urban Development, the allottee shall be bound to get the Layout Plan, zoning plan and building plan of the fragmented plot approved from the Competent Authority of Housing and urban Development.
ii. The allottee/transferees shall be bound to comply with the provisions of the Punjab Regional and Town Planning and Development Act, 1995.

iii. The allottee/transferees shall be bound to comply with the provisions or Real Estate (Regulations and Development) Act, 2016.

iv. The competent authority ofHousing and urban Developments hall be the Competent Authority for taking regulatory measures under PAPR Act, 1995 and PRTPD Act, 1995.

10. General Conditions:

a) Breach of Policy:

(i) In case of non-compliance with policy provisions or terms of fragmentation approval, competent authority of Housing and urban Development may issue a 30-day Show Cause Notice to rectify the breach.

(ii) Failure to rectify may result in, if necessary, cancellation of allotment after withdrawal of permission of fragmentation or sub-division.The concerned development authority shall be at liberty not only to forfeit all the charges paid by the allottees but also shall have the right to put the fragmented plot to auction/ sale and re- allot the same.

b) Repeal and Saving Clause:

(i) Purchasers of sub-divided plots shall be liable to pay land cost enhancements as awarded by Court of Law as per extant policy of Housing and urban Development or the concerned Development Authority, as the case may be.

(ii) In case, the owner/ purchaser of the plot fails to clear the dues of the concerned Development Authority viz extension fee, land cost enhancement, etc., then besides and in addition to the right of the Authority to cancel the allotment, the outstanding dues shall be liable to be recovered as arrears of land revenue or as per existing rules/ guidelines of recovery of dues and recoverable as such under law from the owner/purchaser of the plot.

(iii) In case of death of allottee, plot would be required to be transferred in the name of legal heirs as per extant policy of this department. Thereafter, this policy for fragmentation or sub-division would be applicable.

(iv) In case of death of allottee pending application for fragmentation, and if thereare multiple legal heirs and the parties are engaged in litigation, no objection certificate (NOC) for permission to sub-divide the plot in the form of affidavit should be obtained from all the legal heirs and/ or where any interim order has been passed by any Court of competent jurisdiction, permission to sub-divide the plot should be granted after seeking prior permission of the Hon'ble Court.

c) Appeals: Applicants may appeal against rejections OR any other decision related to application for fragmentation or sub-division to the Additional Secretary/ Special Secretary, HUD or as delegated by the Administrative Secretary, Housing and Urban

Development within 90 days, whose decision shall be final and binding on the Applicant and concerned Development Authority.

d) **Amendments:** Chief Minister, Punjab shall be empowered to amend the provisions of this policy in case of any implementation issue after receiving such references from the Department of Housing and Urban Development.

Sd/-

VIKAS GARG I.A.S

Principal Secretary to Government of Punjab

Department of Housing and urban Development

Chandigarh

The 19th November, 2025

STANDARD OPERATING PROCEDURE (SOP)

The following SOP ensures timely, transparent and consistent processing of fragmentation applications:

Step 1: Submission of Application

- Submit the Application Form (Annexure A) and Checklist (Annexure B) with required documents to the concerned Chief Administrator .
- Pay a non-refundable processing fee of ₹10,000 via demand draft or online payment.

Step 2: Initial Scrutiny (3 Working Days)

- Concerned Estate Officer shall verify:
  - Completeness of the application as per the checklist.
  - Eligibility criteria (plot size, road width, dues clearance).
  - Incomplete or non-compliant applications are returned with reasons for rejection. Applicants may resubmit after addressing deficiencies.

Step 3: Detailed Evaluation (5Working Days)

- The Estate Officer shall verify:
  - Ownership, payment status, legal status,.
- If issues (e.g., legal disputes, dues, objections) arise, the applicant is notified with reasons and may resubmit after resolution.

Step 4: Scrutiny Committee Review (14Working Days)

- The Scrutiny Committee reviews the application, assesses technical feasibility, scrutinize the Layout Plan and submits recommendations to the Competent Authority.

Step 5: Final Approval (5Working Days)

- The Competent Authority (Chief Administrator of the concerned Development Authority) approves or rejects the application based on the committee's recommendations.
- Issue demand notice and upon payment of fragmentation or sub-division fee, issue formal approval letter.
- Total processing time (excluding applicant response time): 27 working days (3 + 5+ 14+ 5).

Step 6: Post-Approval Compliance

- The allottee must:
  - Complete internal development works as per the approved plan and timeline.
  - Get completion certificate or pay extension fee, as applicable.
- Concerned Authority shall monitor compliance and update estate/ planning/ engineering records. Recover extension fee if any.

Annexure A

APPLICATION FORM FOR FRAGMENTATION OR SUBDIVISION OF INDUSTRIAL PLOT

1.Applicant Details:

-Name:

-Address:

-Contact Number:

- Email:

2. Plot Details:

-Plot Number:

-Authority Name:

-Industrial area name:

- Plot Size (sq. yards): _

-Road Width Abutting Plot (feet):

-Ownership Document Reference:

3.Proposed Fragmentation Details:

-Number of Subdivided Plots: _____

- Size of Each Subdivided Plot (sq. yards): _____

- Width: Depth Ratio of Each Subdivided Plot:

-Attach Proposed Layout/Zoning Map (mandatory).

4. Financial Details:

-Processing Fee Paid (₹ 10,000): Yes/No

-Mode of Payment: Demand Draft/Online

-Demand Draft No./Transaction ID: ----------

-Date of Payment:

5. Declaration:

- I/We certify that the information provided is true and correct. I/We undertake to comply with all conditions of the Fragmentation or Sub-division Policy, pay all applicable fees, and complete internal development works as per the approved plan. I/We understand that any false information may lead to rejection or cancellation of the application.

Signature:

Name:_____

Date:_____

Annexure B

CHECKLIST OF DOCUMENTS FOR FRAGMENTATION OR SUBDIVISION OF INDUSTRIAL PLOT

Applicants must submit the following documents with the Application Form. Incomplete applications will be returned.

1. Ownership Proof:
   - Copy of Allotment Letter/ Lease Deed/ Conveyance Deed/ Sale Deed.
   - Proof of valid title/ownership (e.g., registered sale deed, if applicable).
2. Payment Status:
   - No Due Certificate from estate office till date of submitting application for sub-division.
3. Plot Status:
   - Affidavit declaring no litigations/ disputes against the plot (e.g., litigation, vigilance inquiry).
4. Site/Layout Plans:
   - Location Plan showing the Existing plot on the approved Layout Plan (certified by a registered architect).
   - Proposed layout/zoning map for fragmented plots, showing dimensions, shape ratio, setbacks, and Services Plan.
5. Processing Fee:
   - Proof of payment of ₹10,000 (demand draft in favor of Concerned Development Authority).
6. Additional Documents:
   - Authorisation letter/ resolution if the application is submitted by a representative.
   - Undertaking (affidavit) to complete internal development works as per the approved plan and timeline.
   - No-objection certificate from co-owners, if applicable.

Note: All documents must be self-attested. Originals may be required for verification by concerned authority. The Competent Authority may seek any additional document as it may deem necessary, on the case-to-case basis.

3560/11-2025/Pb. Govt. Press, S.A.S. Nagar